


MEMORANDUM

TO: Lonnie R. Robbins
Chief Administrative Officer

FROM:  Richard W. Story
Economic Development Authority

RE: Columbia Vantage House Corporation Testimony

DATE: January, 23 2007

Columbia Vantage House Corporation (the "Facility User"), located in Council District 4, has requested that the County issue its economic development revenue bonds to:

- (1) refund the revenue bonds issued by the County in 2002 for the benefit of the Facility User and
- (2) provide funds to finance certain improvements to the Vantage House facility.

The Economic Development Authority, on behalf of the Facility User, is requesting the adoption of a resolution to provide for the issuance of the bonds requested by the Facility User. The Maryland Economic Development Revenue Bond Act requires that the County adopt a resolution for the issuance of its economic development revenue bonds.

This action will cause a reduction of debt service costs through the refunding and the capital improvements to be financed and will ultimately benefit the residents of Vantage House. It does not appear that there will be any adverse impact on the surrounding community.

Fiscal impact to the County:

1. The bonds are payable solely from revenues to be received in connection with the financing and refinancing of the Vantage House facility. The bonds will not be a debt of the County and the County will have no liability for the repayment of the bonds.
2. The County will receive (a) a \$1000 application fee and (b) an issuer fee, which will be deposited in the County's Economic Development Incentive Fund. The amount of the issuer fee will be based on the principal amount of the bonds issued, Section 26.302 of the County Code and IRS rules.

Please contact me if you have any questions. Thank you.

Cc: Robert Doory, Miles & Stockbridge P.C.
Jennifer Sager, Legislative Coordinator

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Richard W. Story, CECD, FM